Australian Bureau of Statistics

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Summary

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Feature Articles
NEW THIS MONTH - South Australia's Changing Industrial Landscape
Manufacturing industry no longer South Australia's largest employer.

Demography
Includes: **Estimated resident population, Components of population change**
The Statistical Division of Outer Adelaide records the states largest rate of ERP growth (2.0%) in the year to 30 June 2010.

Labour Force
Includes: **Contents, Employed persons, Unemployment, Participation rate**
SA's trend unemployment rate held steady in March 2011 at 5.5%.

Incomes
Includes: **Average weekly earnings**
Female full-time earnings in SA increases 5.3% in the 12 months to November 2010 compared to 1.6% for males.

State Accounts
Includes: **State accounts, Household final consumption expenditure (HFCE)**
SA's State Final Demand increased 0.6% between the September and December quarters 2010.

Consumption
Includes: **Retail trade, New motor vehicle sales**
SA's retail turnover down 0.5% in February 2011 compared with a 0.5% rise nationally.

Investment
Includes: **Private new capital expenditure, Mineral and petroleum exploration expenditure**
SA's chain volume estimate of private new capital expenditure rose 7.6% in December quarter 2010.

Construction
Includes: **Building approvals, Construction work done**
SA dwelling unit approvals fall for the eleventh consecutive month in February 2011.

Price Indexes
Includes: **Contents, Consumer price index, Wage price index, House price index**
SA Wage Price Index increases 1.1% in December quarter 2010; the equal largest of all states and territories.

Housing Finance
Includes: **Housing finance commitments**
SA's average home loan commitment for first home buyers increases 2.6% to $235,500 in February 2011.

International Merchandise Trade
Includes: **Exports and Imports**
South Australian exports rose 31.9% in February 2011.

Water
Includes: **Rainfall, Reservoir levels**
Adelaide's reservoir storage level at 73% for the end of March 2011.

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NOTES

FORTHCOMING ISSUES

ISSUE	Release Date
May 2011	31 May 2011
June 2011	28 June 2011
June 2011	28 June 2011
June 2011	28 June 2011

WHAT'S NEW THIS MONTH

This month's **SA Stats** presents a feature article which examines South Australia's Changing Industrial Landscape over the decade to 2009-10, from two perspectives. Industry divisions are compared according to their employment levels and for their economic impact using the Gross Value Added (GVA) component of Gross State Product. In doing so, the intention is to identify the most prominent or newly emerging industries in terms of their contribution to South Australia's economy. Data are presented from the ABS State Accounts and Labour Force Survey.

Key points from this article:

- South Australia's industries with the largest average annual employment over the past decade were Health Care and Social Assistance, Retail Trade and Manufacturing. Together they accounted for over one third of the State's average annual employment.
- The Manufacturing industry has recorded negative growth in annual average employment between 2000-01 and 2009-10.
- Since 2006-07, the Manufacturing industry has been surpassed by Health Care and Social Assistance as the industry with the largest average annual employment in South Australia.
- From a production perspective Manufacturing still recorded the largest contribution to South Australia's economy over 2000-01 to 2009-10. However, its contribution to Gross State Product, in industry gross value added terms, fell from 15.0% to 11.7% over this period.

Other Explanatory Notes are not included in SA Stats in the form found in other ABS publications. Readers are directed to the Explanatory Notes contained in related ABS publications referenced in the feature article.

Topics which have been updated with new data in this month's issue of **SA Stats** include: Demography; Construction; Consumption; Housing Finance; International Merchandise Trade; Labour Force; and Water.

NOTE: CHANGE TO ABS PRODUCT

The final release of the current SA Stats product will be 28 June, 2011. Currently the ABS is

developing a new national output - State and Territory Statistical Indicators (cat. no. 1367.0), anticipated release in July 2011. This product will provide an overview of the population, economy and environment for each of the Australian states and territories.

INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Loucas Harous on Adelaide (08) 8237 7585, or email sa.statistics@abs.gov.au.

Feature Articles

FEATURE ARTICLES

2011	
Apr 2011	South Australia's Changing Industrial Landscape
Mar 2011	Patterns in South Australian Retail Turnover
	Emotional Well-being in South Australia
Feb 2011	Young People, Sports and Physical Recreation in South Australia
Jan 2011	Household Water Consumption and Conservation Actions
2010	
Dec 2010	Women in South Australia's workforce
Nov 2010	National Regional Profile: Regional data made easy!
Oct 2010	Making better use of Public Sector information
Sep 2010	Where have all the male teachers gone?
Aug 2010	Beefing up our economy: Meat production in South Australia
Jul 2010	Children's Use of the Internet and Mobile Phones in South Australia
Jun 2010	International Students and the VET sector in South Australia
May 2010	Interstate Departures from South Australia
Apr 2010	Engineering Construction in South Australia
Mar 2010	Burial and cremation trends in South Australia
Feb 2010	The new Australian Statistical Geography Standard
Jan 2010	Houses in South Australia: The cost of building a dream
2009	
Dec 2009	International Students in South Australia
Nov 2009	Perceptions of Crime and Safety in South Australia
Oct 2009	Who's Not in the Labour Force?
Sep 2009	One parent families with dependent children in South Australia
Aug 2009	Heating and Cooling
Jul 2009	What are South Australians Studying?
Jun 2009	Water Efficiency in South Australia's Vineyards
May 2009	Journey to Work in the City of Adelaide
Apr 2009	Housing Finance - First Home Buyers and Other Borrowers
Feb 2009	Recent Increases in South Australia's Fertility
Jan 2009	South Australian Household Final Consumption Expenditure
2008	
Dec 2008	Energy Consumption in South Australia

Nov 2008	Adelaide's Population Turnover
Oct 2008	Contributors to Adelaide's Price Rises
Sep 2008	Adelaide's Suburbs of Advantage and Disadvantage
Aug 2008	South Australia's Agriculture Industry
July 2008	New Dwelling Approvals in South Australia
May 2008	Literacy of South Australians
April 2008	South Australia's Migrant Population
	South Australia's Ageing Population and the Labour Force
Feb 2008	South Australia's Mining Industry
	Water Supply in South Australia
Jan 2008	Labour Force Underutilisation and the Underemployed in South Australia
	Water Use in Agriculture - A South Australian Perspective
2007	
Nov 2007	Sports Attendance in South Australia
	Recorded Crime - Victims, South Australia, 2006
Oct 2007	Attendance at Cultural Venues and Events by South Australians
Aug 2007	Children's Participation in Cultural and Leisure Activities - South Australia, 2006
Jul 2007	South Australia's big picture: Census highlights the changes in South Australian society
	Participation in Sports and Physical Recreation Activities - South Australia
May 2007	Health of South Australians - Body Mass
	Household Use of the Internet in South Australia
Apr 2007	Employment in the Retail Trade Industry in South Australia
	River Murray - South Australia
Mar 2007	Household Waste Management in South Australia
Feb 2007	Births - South Australia
Jan 2007	Gross Domestic Product and Gross State Product
2006	
Dec 2006	Rainfall in South Australia, South Australian Reservoirs, Water Consumption
Nov 2006	Health of South Australians - Health related actions
Oct 2006	National Regional Profile - New Release, New Features
Sep 2006	Fuel Production and Consumption, Greenhouse Gas Emissions, Land Use Change and Forrestry
Aug 2006	Health of South Australians - Health Risk Behaviours
	The South Australian Grape Industry
Jul 2006	Use of IT By Australian Businesses
	Household use of the Internet in South Australia
May 2006	Health of South Australians - Health Status
Apr 2006	International Trade in Services
	International Students in South Australia
Feb 2006	Labour Force and Other Characteristics of Migrants in South Australia
Jan 2006	Survey of work in selected Culture & Leisure Activities
2005	
Nov 2005	Household Income in South Australia
	Household Expenditure in South Australia
Oct 2005	SA Business and Innovation
	Recent History of Population change in South Australia, 1993-94 to 2003-04
Aug 2005	Average Weekly Earnings
	Transition from School

Demography

 **DEMOGRAPHY**

ESTIMATED RESIDENT POPULATION

The estimated resident population (ERP) for South Australia was 1,647,800 at 30 September 2010, an increase of about 17,400 persons (1.1%) since 30 September 2009. This was the second slowest growth of all the states and territories behind Tasmania (0.8%). Nationally, the ERP was 22,407,700 at 30 September 2010, an increase of about 345,500 persons (1.6%) since 30 September 2009.

ESTIMATED RESIDENT POPULATION, Preliminary data

	Population at end September quarter 2010 '000	**Change over previous year** '000	**Change over previous year** %
New South Wales	7 253.4	95.2	1.3
Victoria	5 567.1	90.5	1.7
Queensland	4 532.3	82.2	1.8
South Australia	1 647.8	17.4	1.1
Western Australia	2 306.2	47.3	2.1
Tasmania	508.5	4.1	0.8
Northern Territory	230.2	2.9	1.3
Australian Capital Territory	359.7	6.0	1.7
Australia(a)	**22 407.7**	**345.5**	**1.6**

(a) Includes Other Territories comprising Jervis Bay Territory, Christmas Island and the Cocos (Keeling) Islands.
Source: Australian Demographic Statistics (cat. no. 3101.0).

In 2009-10, the Statistical Division (SD) of Outer Adelaide showed the largest ERP growth in South Australia (2.0%), increasing from a population of 136,700 at 30 June 2009 to an estimated 139,500 at 30 June 2010. The next largest percentage growth occurred in the SD of Adelaide (1.3%), increasing from a population of 1,188,100 to an estimated 1,203,200 over the same period.

Estimated Resident Population(a)**, by Statistical Division - South Australia**

	2009		**2010**	
	Population at 30 June '000	**Change over previous year** %	**Population at 30 June** '000	**Change over previous year** %
Adelaide	1 188.1	1.3	1 203.2	1.3
Outer Adelaide	136.7	1.9	139.5	2.0
Yorke and Lower North	47.1	1.4	47.6	1.1
Murray Lands	70.5	0.4	70.7	0.3
South East	66.0	0.9	66.7	1.1
Eyre	35.6	1.1	35.9	0.9
Northern	80.5	0.5	81.0	0.6
South Australia	1 624.5	1.3	1 644.6	1.2

(a) Estimates for 2009 are revised to align with new 2009 state and territory totals and estimates for 2010 are preliminary.
Source: Regional Population Growth, Australia (cat. no. 3218.0)

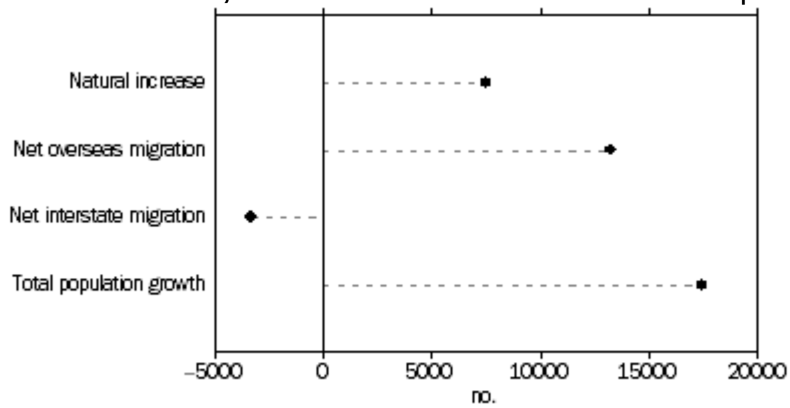
Map of South Australia's Statistical Divisions (PDF 3.083MB)

COMPONENTS OF POPULATION CHANGE

For the year ended 30 September 2010, South Australia recorded a natural increase (i.e. the net of births and deaths) of 7,499 persons. Net overseas migration provided a gain of 13,243 persons in the same period while net interstate migration realised a loss of 3,307 persons.

For the year ended 30 September 2010, Australia recorded a natural increase in population of 159,752 persons; net overseas migration resulted in a gain of 185,772 people.

POPULATION GROWTH, South Australia - Year ended 30 September 2010



Source: Australian Demographic Statistics (cat. no. 3101.0)

Labour Force

 **LABOUR FORCE**

CONTENTS

Employed persons

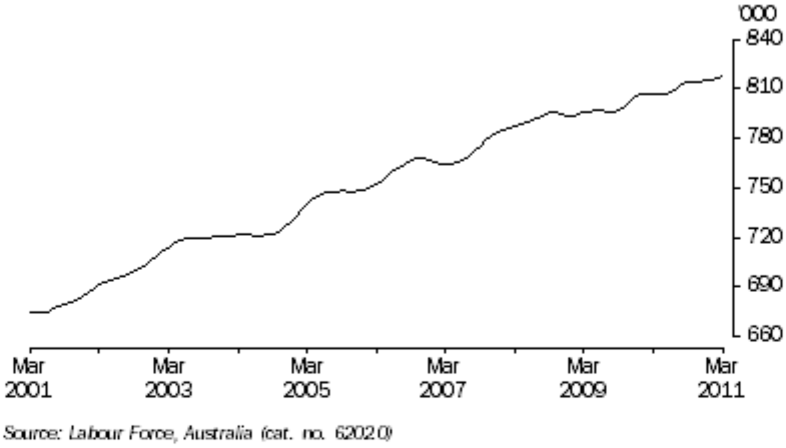
Unemployment

Participation rate

EMPLOYED PERSONS

The March 2011 estimate of the total number of persons employed in South Australia (in trend terms) has risen to 817,200, up from 816,200 the previous month. The March estimate is 1.3% above the estimate recorded in March 2010 (807,100). Nationally, a total of 11,448,500 persons were employed in March 2011; an increase of 3.0% over the corresponding month of the previous year (11,112,700).

EMPLOYED PERSONS, Trend **-** South Australia

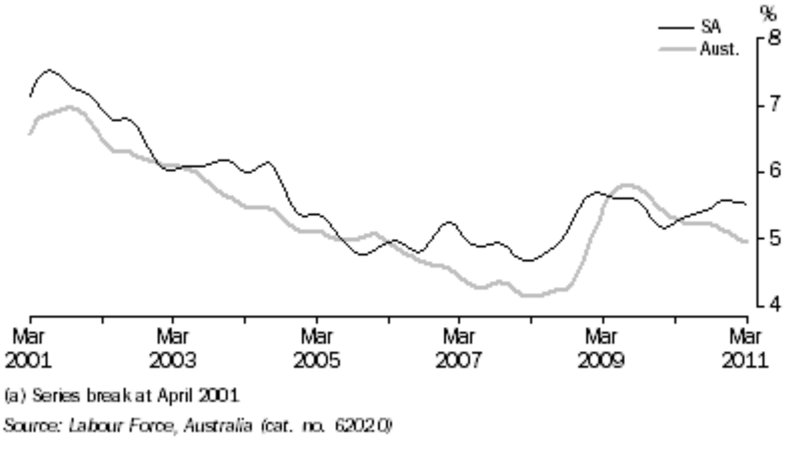


The number of males employed full-time in South Australia in March 2011 was 364,500 (in trend terms), up slightly from the previous month (364,200). Looking at the composition of all male employees, those working full-time accounted for 82.9% of the male workforce, up from 81.6% in March 2010. The number of females employed full-time fell in March 2011 to 186,700; 1.9% below the peak recorded in October 2010 (190,300). At that time full-time female employees accounted for 50.6% of the female workforce. In March 2011, this proportion was 49.5%.

UNEMPLOYMENT

South Australia's trend unemployment rate held steady in March 2011 at 5.5%. The estimate remains above the national unemployment rate for the tenth consecutive month. The Australian unemployment rate fell to 4.9% in March 2011.

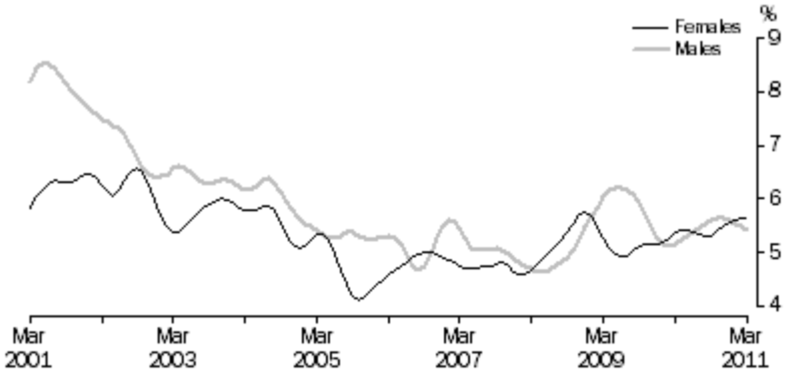
UNEMPLOYMENT RATE, Trend



The trend unemployment rate for South Australian males fell to 5.4% in March 2011; below the female unemployment rate for the third consecutive month. The March 2011 estimate of the female unemployment rate remained steady at 5.6%.

Nationally, the March 2011 trend unemployment rate for males fell to 4.6%, while the female unemployment rate held steady at 5.3%.

UNEMPLOYMENT RATE, Trend **-** South Australia



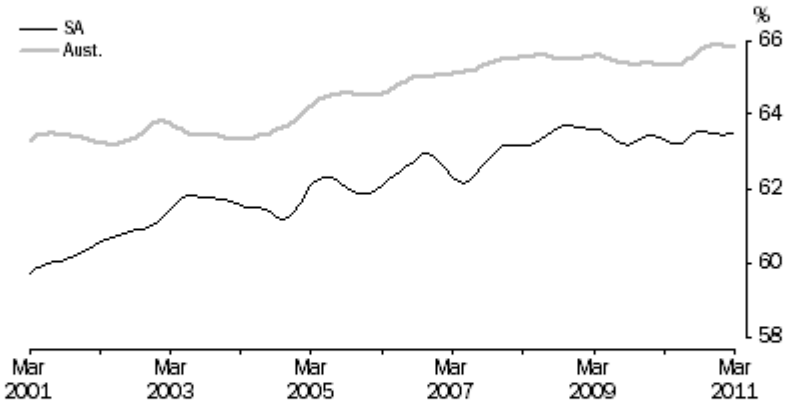
(a) Series break at April 2001

Source: *Labour Force, Australia* (cat. no. 6202.0)

PARTICIPATION RATE

The trend estimate of the participation rate for South Australia has shown very little movement over recent months and in March 2011 was 63.5%. Australia's trend participation rate has followed a similar trend remaining relatively steady over recent months and in March 2011 was 65.8%.

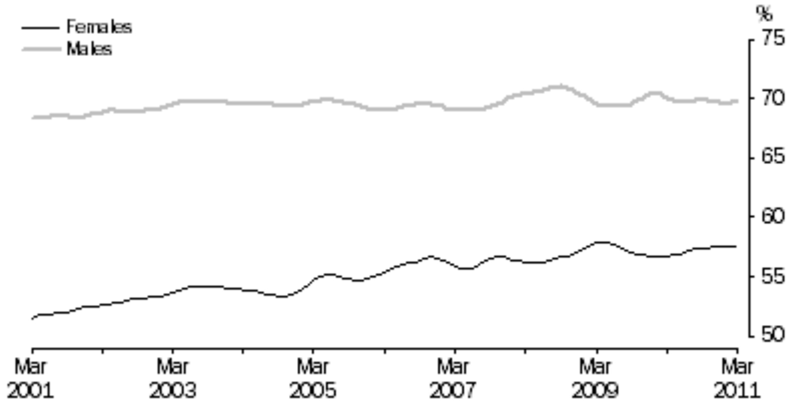
PARTICIPATION RATE, Trend



Source: *Labour Force, Australia* (cat. no. 6202.0)

The South Australian participation rate for males has shown very little movement over recent months and in March 2011 was 69.7%. The Australian participation rate for males remained relatively stable over the same time and in March 2011 was 72.7%. Following a period of growth, the participation rate for South Australian females has plateaued, with the March 2011 estimate at 57.6%. Similarly, the Australian female participation rate held steady at 59.1% in March 2011.

PARTICIPATION RATE, Trend **-** South Australia



Source: *Labour Force, Australia* (cat. no. 6202.0)

***DATA NOTES**

Please refer to the article Impact of the floods on the Labour Force Survey in Labour Force, Australia, Jan 2011 (cat. no. 6202.0).

Incomes

INCOMES

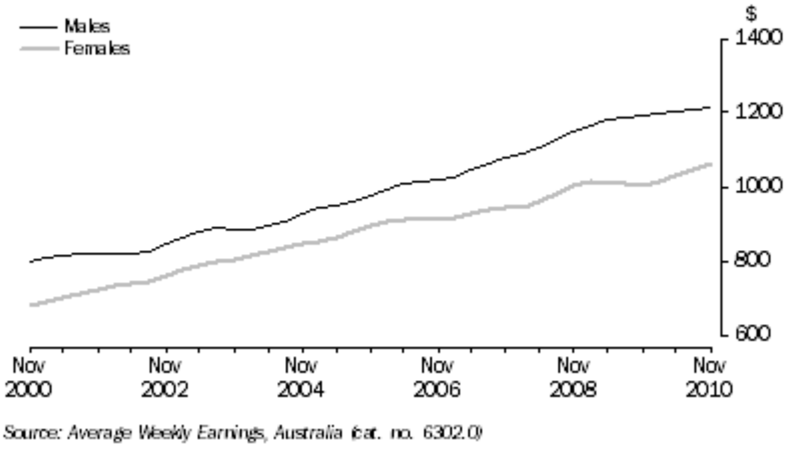
AVERAGE WEEKLY EARNINGS

The trend estimate of average weekly (ordinary time) earnings for full-time adult persons in South Australia increased by 2.9% to $1,158.20 in the 12 months to November 2010. Nationally, the trend estimate of average weekly (ordinary time) earnings increased 3.9% (up to $1,272.50).

In the 12 months to November 2010, average weekly full-time earnings in South Australia for males increased by 1.6% to $1,213.70. Whilst the rate of growth in South Australian male earnings has slowed considerably, it has remained positive. In comparison, the series for female earnings has shown more variability in recent times, increasing 5.3% in the 12 months to November 2010 to $1,059.70. On average, South Australian females working full-time earn 12.7% less than their male counterparts.

Nationally, male average weekly full-time earnings increased 3.6% to $1,356.90 and female earnings rose 4.7% to $1,130.20 in the year to November 2010.

FULL-TIME ORDINARY EARNINGS, South Australia**:** Trend



For information on the wage price index, please refer to the ' Price Indexes' topic.

***DATA NOTES**

Please refer to source publications for impact of floods on data and collections.

State Accounts

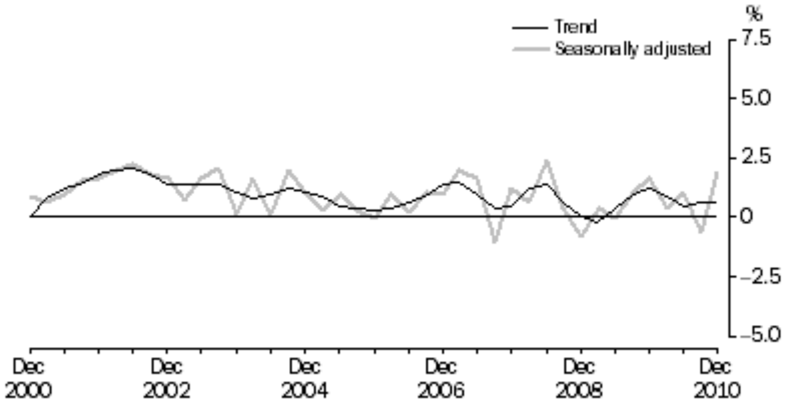
 **STATE ACCOUNTS**

STATE ACCOUNTS

South Australia's December quarter 2010 State Final Demand in chain volume (trend) terms was $21,927m; an increase of 0.6% from the September quarter 2010 and 2.7% over the corresponding quarter of the previous year. Australia's Domestic Final Demand grew 0.5% to $327,225m in the December quarter 2010.

All states and territories recorded increases for the December quarter 2010. The Australian Capital Territory reported the strongest growth for the period (up 1.5%), while Western Australia recorded the weakest (up 0.1%).

STATE FINAL DEMAND, Chain volume measures, Quarterly change, South Australia

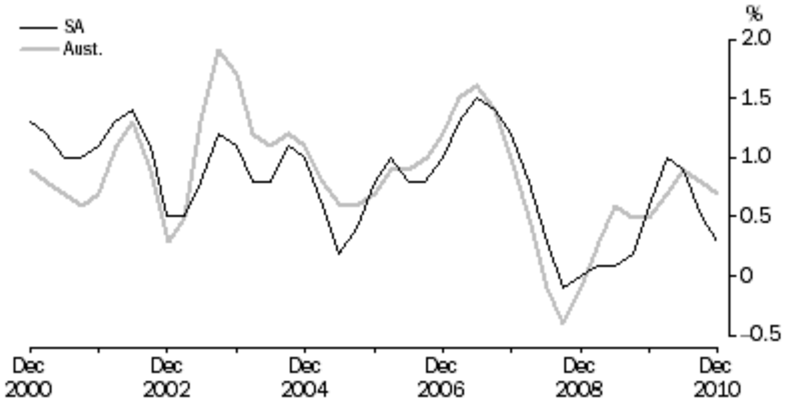


Source: Australian National Accounts: National Income, Expenditure and Product (cat. no. 5206.0)

HOUSEHOLD FINAL CONSUMPTION EXPENDITURE (HFCE)

In chain volume (trend) terms, South Australia's December quarter 2010 HFCE was $12,400m; an increase of 0.3% over the result recorded in the September quarter 2010 and representing 7.0% of the national total ($176,312m). The value of HFCE for Australia increased by 0.7% between the September and December quarters 2010.

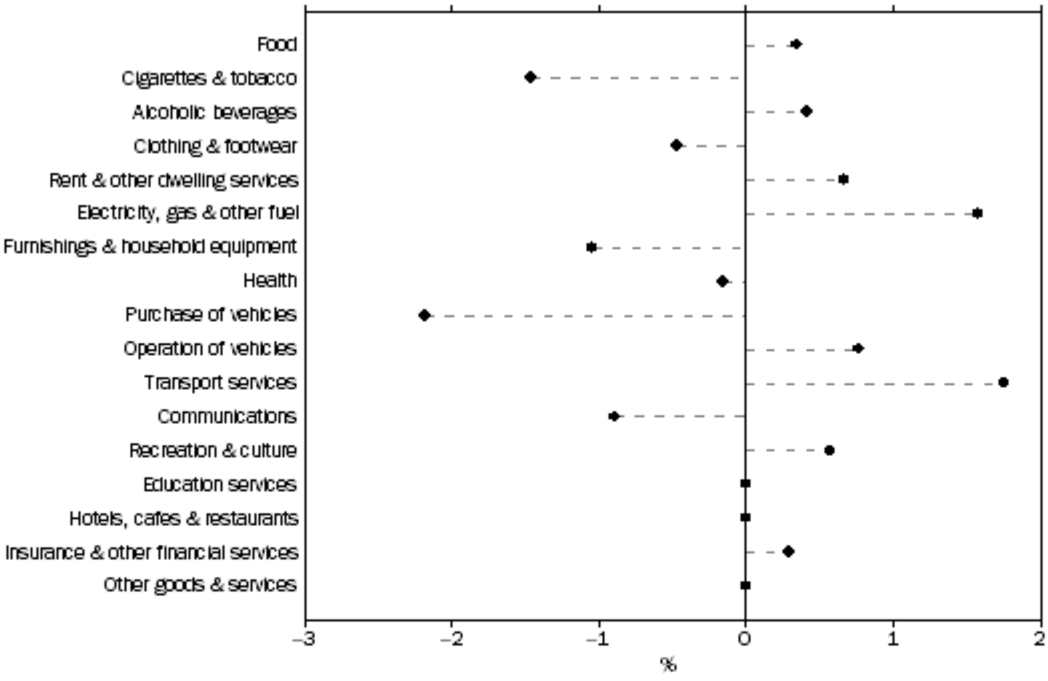
HFCE, Chain volume measures, Trend, Quarterly change



Source: Australian National Accounts: National Income, Expenditure and Product (cat. no. 5206.0)

The main contributors to growth in HFCE in South Australia for the December quarter 2010 were Transport services (up 1.8% from the September quarter 2010), Electricity, gas and other fuel (up 1.6%) and Operation of vehicles (up 0.8%). The largest decreases in expenditure were for Purchase of vehicles (down 2.2%), Cigarettes and tobacco (down 1.5%) and Furnishings and household equipment (down 1.0%).

HFCE, Chain volume measures, Trend, Quarterly change, South Australia **-** December Quarter 2010



Source: *Australian National Accounts: National Income, Expenditure and Product* (cat. no. 5206.0)

At the national level, expenditure increases were reported for most categories. The largest increases were for Transport services (up 2.4% from the September quarter 2010), Electricity, gas and other fuels (up 1.7%), and Recreation and culture (up 1.5%). The largest decreases in expenditure were for Purchase of vehicles (down 1.1%).

***DATA NOTES**

Please refer to source publications for impact of floods on data and collections.

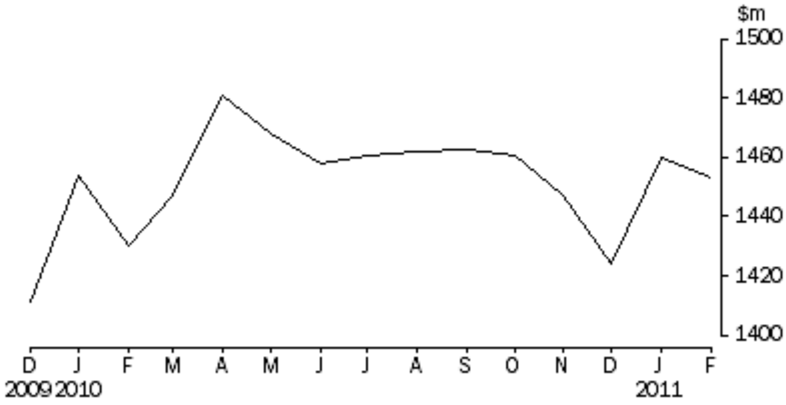
Consumption

 **CONSUMPTION**

RETAIL TRADE

The seasonally adjusted estimate for South Australia's retail turnover fell to $1,452.9 in February 2011. This represented a fall of 0.5% from the previous month ($1,460.2m), but 1.6% above the sales recorded in February 2010 ($1,430.3m). In contrast, national retail turnover rose to $20,534.7m in February 2011; an increase of 0.5% over the previous month and 3.6% above the sales recorded in February 2010 ($19,826.5m). South Australia's contribution to total retail turnover in Australia remained steady at 7.1% in February 2011.

RETAIL TURNOVER, Seasonally adjusted, South Australia

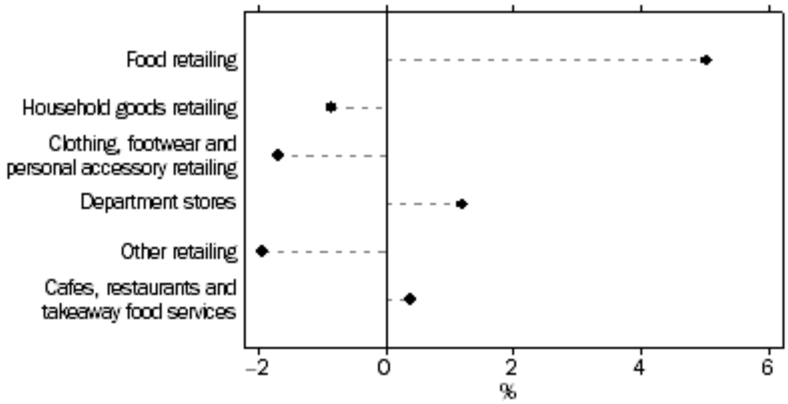


Source: Retail Trade, Australia (cat. no. 8501.0)

Comparing February 2011 with February 2010, the South Australian industry groups with the largest percentage increases in retail turnover (in seasonally adjusted terms) were Food retailing, up 5.0% to $599.1m and Department stores, up 1.2% to $125.1m.

Other retailing and Clothing, footwear and personal accessories recorded the largest industry group decreases in turnover over this period, falling by 1.9% and 1.7% respectively.

RETAIL TURNOVER, Seasonally adjusted, Change from February 2010 to February 2011 - South Australia



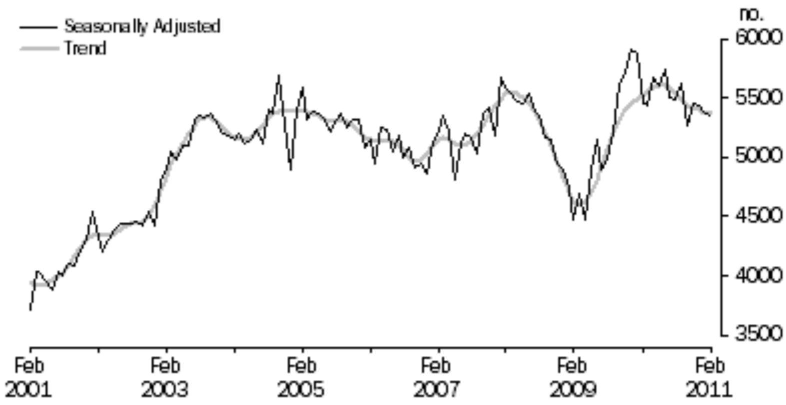
Source: Retail Trade, Australia (cat. no. 8501.0)

NEW MOTOR VEHICLE SALES

In trend terms, sales of new passenger vehicles in South Australia fell slightly to 3,123 in February 2011. This represents a decrease of 0.5% from the January sales (3,138) and is 4.0% lower than sales in February 2010 (3,253). Total new vehicles sales in South Australia fell 0.3% in February 2011 to 5,362.

In Australia, new passenger vehicle sales fell 0.3% to 48,386 in February 2011 from 48,537 in January. The February 2011 estimate is 1.9% below the new passenger vehicle sales for the same time the previous year (49,316). Total new vehicle sales fell 0.3% to 84,485 in February 2011.

NEW MOTOR VEHICLE SALES, South Australia



Source: Sales of New Motor Vehicles, Australia (cat. no. 9314.0)

***DATA NOTES**

Please refer to source publications for impact of floods on data and collections.

Investment

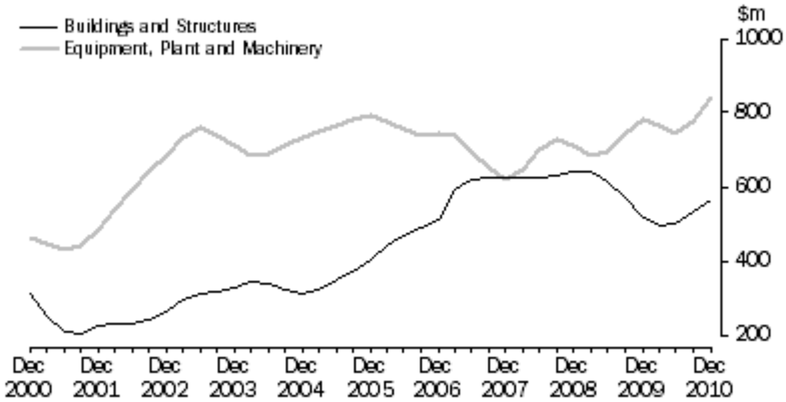
INVESTMENT

PRIVATE NEW CAPITAL EXPENDITURE

Between the September and December quarters 2010, the South Australian chain volume (trend) estimate of private new capital expenditure rose by 7.6% to $1,409m. Expenditure on Buildings and structures rose $31m (5.7%) to $566m, and expenditure on Equipment, plant and machinery rose $69m (8.9%) to $844m.

Over the same period, private new capital expenditure for Australia rose $997m (3.5%) to $29,785m. Expenditure on Equipment, plant and machinery rose 4.9%, and expenditure on Buildings and structures rose 1.4%.

PRIVATE NEW CAPITAL EXPENDITURE, South Australia - Chain volume measures **-** Trend



Source: Private New Capital Expenditure and Expected Expenditure, Australia (cat. no. 5625.0)

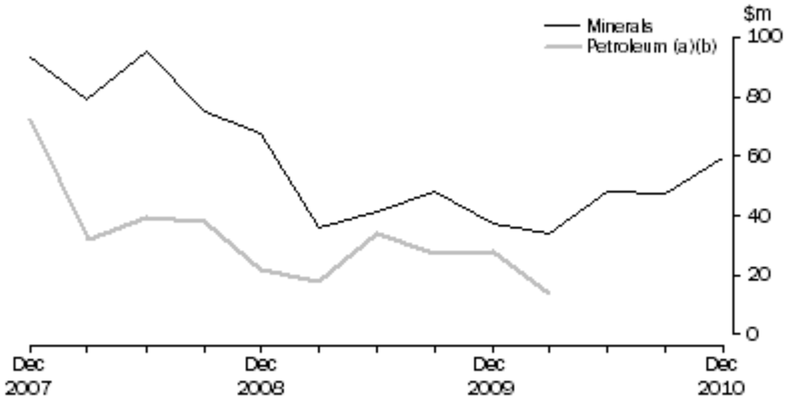
MINERAL AND PETROLEUM EXPLORATION EXPENDITURE

The value of South Australian mineral exploration expenditure (in original terms) was $59.5m in the December quarter 2010; an increase of 25.6% over the previous quarter but 37.4% below the peak recorded in the June quarter 2008 ($95.2m). Australian expenditure on mineral exploration was $703.3m in the December quarter 2010; an increase of 5.1% from the September quarter 2010 estimate ($669.4m).

Exploration expenditure on Copper ($23.6m) and Uranium ($17.5m) once again accounted for more than two thirds (69.1%) of all South Australian mineral exploration expenditure in the December quarter 2010. A further $9.8m was spent on exploration for Iron ore.

Data relating to expenditure on petroleum exploration in South Australia (and Victoria) were not available for publication in the June or September quarters 2010, however in the December quarter 2010, expenditure was $15.1m. This latest estimate was 46.4% below expenditure for December 2009. Nationally, expenditure on petroleum exploration decreased marginally by 0.1% from $850.4m to $849.6m between the September and December quarters 2010.

MINERAL AND PETROLEUM EXPLORATION EXPENDITURE, Original, South Australia



(a) Data relating to expenditure on petroleum exploration in South Australia were not available for publication in the June or September quarter 2010.
(b) December quarter 2010 expenditure $15.1m.

Source: *Mineral and Petroleum Exploration, Australia* (cat. no. 8412.0)

***DATA NOTES**

Please refer to source publications for impact of floods on data and collections.

Construction

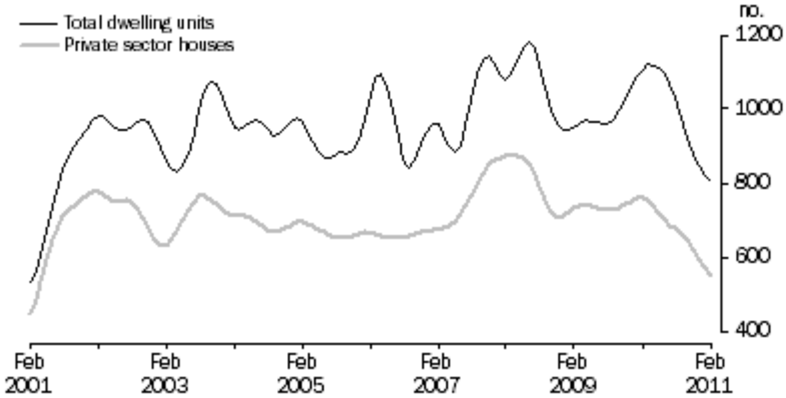
CONSTRUCTION

BUILDING APPROVALS

In trend terms, the number of dwelling units approved in South Australia has fallen for the eleventh consecutive month with 805 approvals recorded in February 2011. This represents a decrease of 2.1% over the January estimate (822), and 27.4% lower than at the same time in the previous year (1,109). Nationally, the number of dwelling unit approvals also fell (1.7%) to 12,894, with the February 2011 estimate 17.4% below the peak recorded a year earlier (15,617).

The trend estimate for the number of private sector houses approved in South Australia fell (3.4%) to 551 in February 2011. Private sector house approvals as a proportion of total dwelling unit approvals was 68.7% in February 2010, while in February 2011 this proportion was slightly lower at 68.4%.

DWELLING UNITS APPROVED, Trend, South Australia



Source: Building Approvals, Australia (cat. no. 8731.0)

In original terms, for the year to February 2011 the total number of dwelling units approved in South Australia rose by 1.4%. Increases were recorded in three of the seven Statistical Divisions (SD) with the largest increase in the Murray Lands SD (up 49.0%). This follows a 9.3% decrease for this SD in the preceding twelve months to February 2010.

The largest decrease in dwelling unit approvals in the year to February 2011, occurred in the Northern SD (down 19.0%).

DWELLING UNITS APPROVED, by Statistical Division, Original, South Australia

	Year ended February 2010		Year ended February 2011	
	Dwelling units	Change over previous year	Dwelling units	Change over previous year
	no.	%	no.	%
Adelaide	8 488	-2.9	8 344	-1.7
Outer Adelaide	1 491	-13.5	1 623	8.9
Yorke and Lower North	448	-23.2	553	23.4
Murray Lands	449	-9.3	669	49.0
South East	405	-23.9	355	-12.3
Eyre	271	-7.8	245	-9.6
Northern	352	-24.0	285	-19.0
South Australia	**11 904**	**-7.2**	**12 074**	**1.4**

Source: Building Approvals, Australia - data available on request

Map of South Australia's Statistical Divisions (PDF 3.083MB)

*DATA NOTES

Please refer to source publications for impact of floods on data and collections.

The trend estimates should be interpreted with caution as the underlying behaviour of building approvals may be affected by initiatives within the Government stimulus package, which included the "Building the Education Revolution" (BER) program and the Social Housing Initiative as well as other developments associated with global economic conditions. From June 2009 to February 2010 BER impacts were quantified and removed from the trend estimates because of its short term nature. From March 2010 these impacts are no longer removed from the trend estimates as their effect has significantly declined. For more details on trend estimates, please see paragraphs 20 to 23 of the explanatory notes.

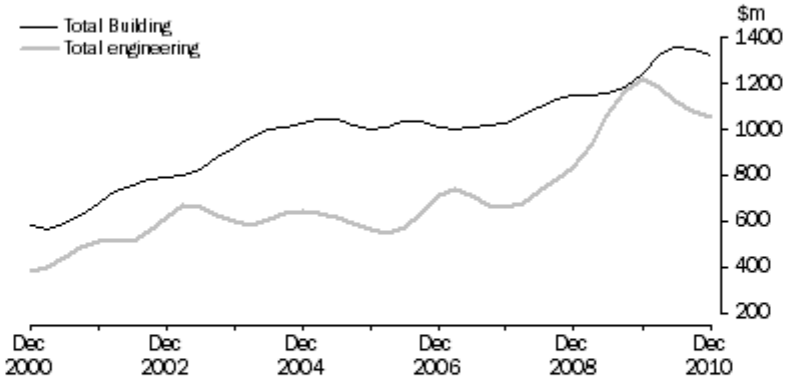
CONSTRUCTION WORK DONE

In the December quarter 2010, the total value of building work done (in trend terms)* in South Australia fell to $1,328.8m, a decrease of 1.5% over the September quarter 2010.

Between the December quarters 2007 and 2009, the trend* estimate for the value of engineering work done rose sharply ($660.4m to $1,223.6m). Since this time, the value of engineering work has fallen to $1,052.6m in the December quarter 2010; 2.5% below the September quarter.

The upsurge in engineering construction between the December quarters 2007 and 2009 was the focus of the feature article presented in the April 2010 issue of SA Stats.

VALUE OF CONSTRUCTION WORK DONE*, Chain volume measures **-** SA**:** Trend



Source: *Building Activity, Australia* (cat. no. 8752.0)
Engineering Construction Activity, Australia (cat. no. 8762.0)

*INTRODUCTION OF NEW BASE YEAR

A new base year, 2008-09, has been introduced into the chain volume estimates which has resulted in revisions to growth rates in subsequent periods. In addition, the chain volume estimates have been re-referenced to 2008-09, thereby preserving additivity in the quarters after the reference year. Re-referencing affects the levels of, but not the movements in, chain volume estimates.

Price Indexes

PRICE INDEXES

CONTENTS

Consumer price index

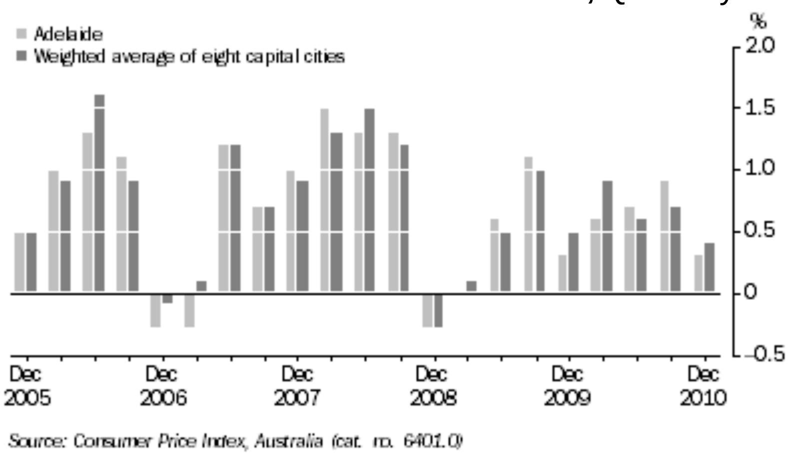
Wage price index

House price index

CONSUMER PRICE INDEX

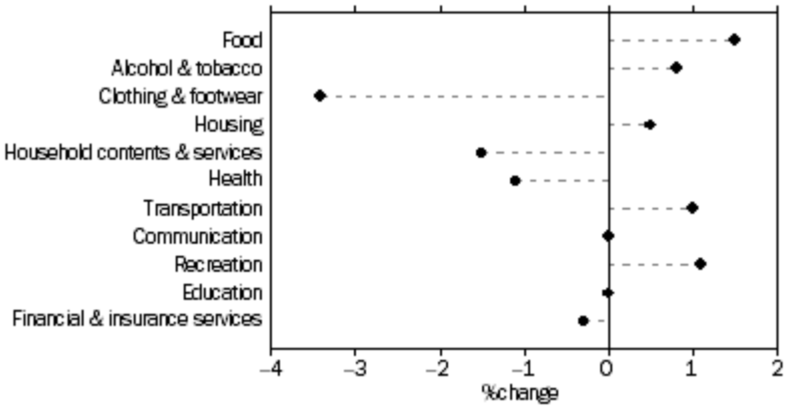
The all groups consumer price index (CPI) for Adelaide rose 0.3% during the December quarter 2010, while the weighted average of the eight capital cities increased by 0.4% in the same period. Adelaide's CPI increased by 2.5% in the year ending December quarter 2010, compared with a 2.7% rise in the weighted average of the eight capital cities.

CONSUMER PRICE INDEX - ALL GROUPS, Quarterly change



Adelaide's largest percentage increases in prices from the previous quarter were for Food (1.5%) and Recreation (1.1%). The largest decreases in prices from the previous quarter were for Clothing and footwear (3.4%) and Household contents and services (1.5%).

CPI GROUPS, Quarterly change, Adelaide **-** December Quarter 2010

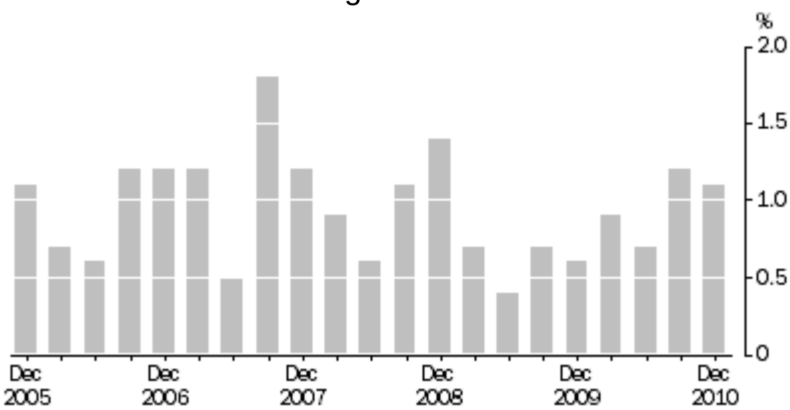


Source: Consumer Price Index, Australia (cat. no. 6401.0)

WAGE PRICE INDEX

The wage price index for all employee jobs in South Australia increased by 1.1% (in original terms) between the September and December quarters 2010. This was higher than the national increase of 0.9% over the same period. Of all the states, South Australia experienced the largest increase (1.1%) and New South Wales the smallest (0.7%).

WAGE PRICE INDEX QUARTERLY CHANGES, Total Hourly rates of pay excluding bonuses - Original: South Australia

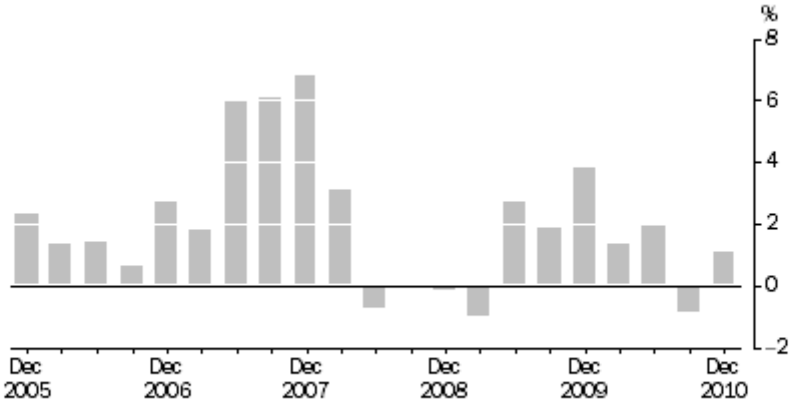


Source: Labour Price Index, Australia (cat. no. 6345.0)

HOUSE PRICE INDEX

Preliminary estimates show the price index for established houses for Adelaide (in original terms) has risen by 1.1% in the December quarter 2010, following a fall of 0.9% in the previous quarter. Price rises were recorded in all other capital cities with the exception of Perth. Canberra (1.9%), Sydney (1.6%) and Melbourne (1.3%) recorded the largest price index increases. A fall of 3.2% in Perth moderated all other price index rises, resulting in an increase in the price index for established houses for the weighted average of the eight capital cities of 0.7% in the December quarter 2010.

ESTABLISHED HOUSE PRICES, Quarterly change, Adelaide



Source: House Price Indexes: Eight Capital Cities (cat. no. 6416.0)

In the 12 months to the December quarter 2010, preliminary estimates show the price index for established houses for Adelaide rose 3.5%, while the weighted average of the eight capital cities increased 5.8%. Melbourne (10.8%), Sydney (7.4%) and Canberra (6.5%) recorded the largest increases whilst Perth recorded the only decrease (2.0%) of all the capital cities.

***DATA NOTES**

Please refer to source publications for impact of floods on data and collections.

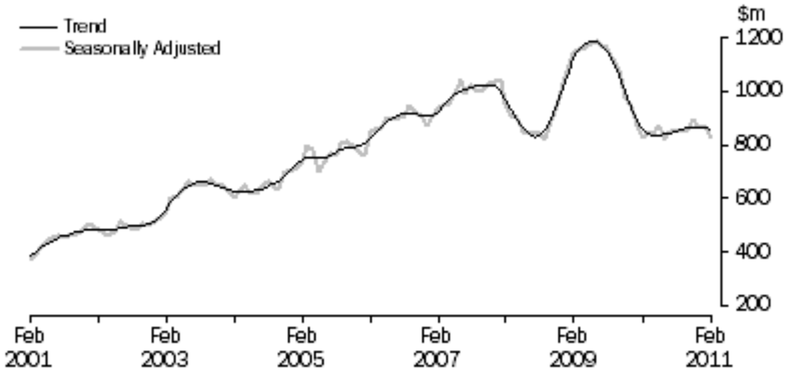
Housing Finance

 **HOUSING FINANCE**

HOUSING FINANCE COMMITMENTS

The trend estimate of the total value of housing finance commitments (owner occupation) in South Australia fell in February 2011 to $856m. The February estimate is 0.6% lower than the previous month, but 27.9% lower than the peak value of housing finance commitments recorded in May 2009 ($1,186m). Nationally, the value of housing finance commitments for owner occupation was $13,819m in February 2011; 1.0% lower than January 2011, and 19.4% lower than the peak recorded in June 2009 ($17,150m).

HOUSING FINANCE COMMITMENTS (OWNER OCCUPATION) (a), South Australia

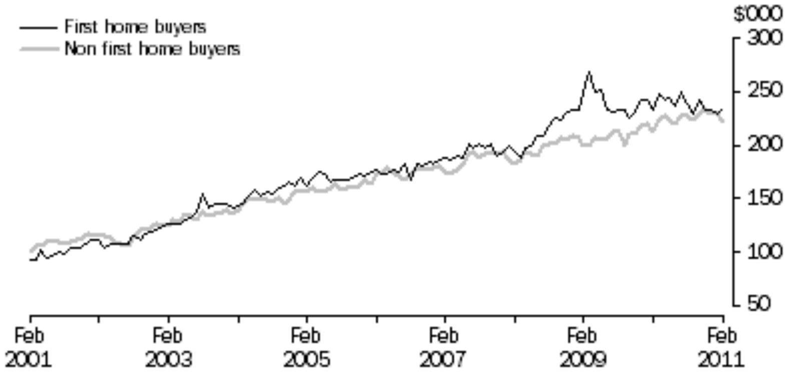


(a) Excludes alterations and additions. Includes refinancing.
Source: *Housing Finance, Australia (cat. no. 5609.0)*

In February 2011, the average home loan size for owner occupied dwellings in South Australia was $223,700, a decrease of 2.6% over the previous month, and 20.5% lower than the average loan size for Australia ($281,500).

In February 2011, the average loan commitment for first home buyers in South Australia rose to $235,500; an increase of 2.6% over the January estimate but 12.2% below the peak recorded in March 2009 ($268,300). The average loan size for non-first home buyers in February 2011 fell to $222,100; a decrease of 3.4%. The average loan size for first home buyers in February 2011 is 6.0% higher than for non-first home buyers.

HOUSING FINANCE COMMITMENTS (OWNER OCCUPATION) (a), Average loan size, Original, South Australia



(a) Excludes alterations and additions. Includes refinancing.
Source: *Housing Finance, Australia (cat. no. 5609.0)*

For information on the house price index, please refer to the ' Price Indexes' topic.

***DATA NOTES**

Please refer to source publications for impact of floods on data and collections.

International Merchandise Trade

INTERNATIONAL MERCHANDISE TRADE

EXPORTS AND IMPORTS

On a recorded trade basis, the value of South Australia's exports in February 2011 was $1,005m; an increase of 31.9% from January 2011 ($762m) and 63.3% higher than the value recorded in February 2010 ($615m).

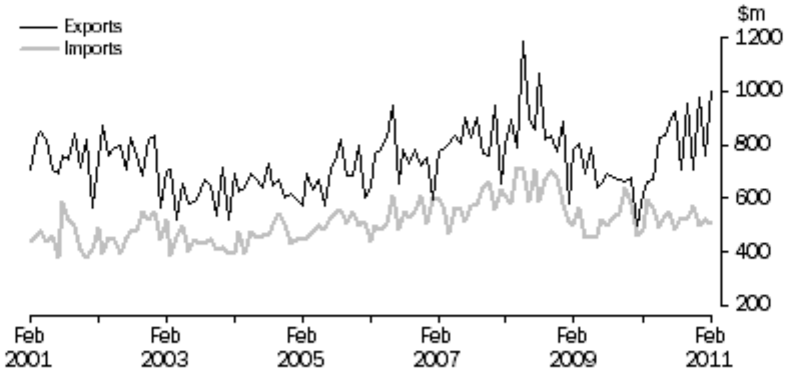
In February 2011, Wheat remained as South Australia's largest export contributor (12.6%) despite decreasing in value by approximately $33m. Copper (11.8%) and Copper ores and concentrates, copper mattes and cement copper (10.7%) were the next largest export contributors.

The value of Australian merchandise exports for February 2011 fell 2.1% to $17,021m. The February estimate is 14.2% higher than at the same time the previous year ($14,910m).

The value of South Australian merchandise imports fell to $507m in February 2011. This estimate represents a decrease of 2.8% from January 2011 ($521m) but is 4.3% higher than the value recorded in February 2010 ($486m).

The value of Australian merchandise imports for February 2011 rose to $16,569m; an increase of 5.0% from the previous month and 8.5% higher than the value recorded in February of the previous year ($15,275m).

VALUE OF INTERNATIONAL MERCHANDISE EXPORTS AND IMPORTS (a), on a recorded trade basis, South Australia



(a) Exports where the final stage of production or manufacture occurs in South Australia.
Source: *International Trade in Goods and Services, Australia* (cat. no. 5368.0)

*DATA NOTES

Please refer to source publications for impact of floods on data and collections.

Water

WATER

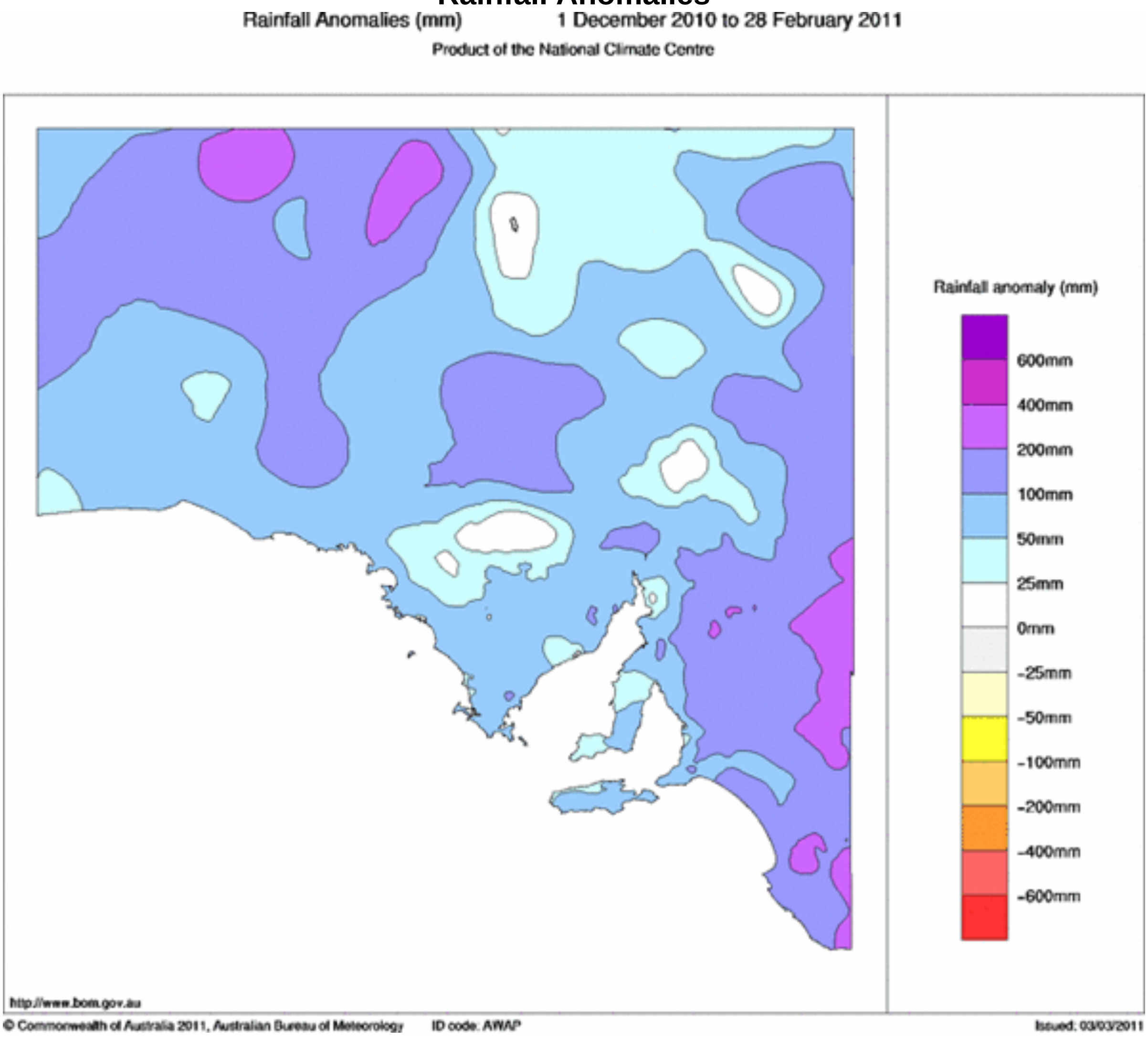
RAINFALL

According to the Bureau of Meteorology's Seasonal Climate Summary for South Australia, Summer 2010-11 was the third wettest on record.

The well above average rainfall was predominantly a result of one of the strongest La Nina events on record. Forty seven locations, mainly in the east of the state, experienced their wettest summer on record and sixty seven locations had their highest ever daily rainfall in the summer period.

The highest total rainfall for the state was recorded in Ernabella (Pukatja), located in South Australia's pastoral district, with 341.8mm.

Rainfall Anomalies

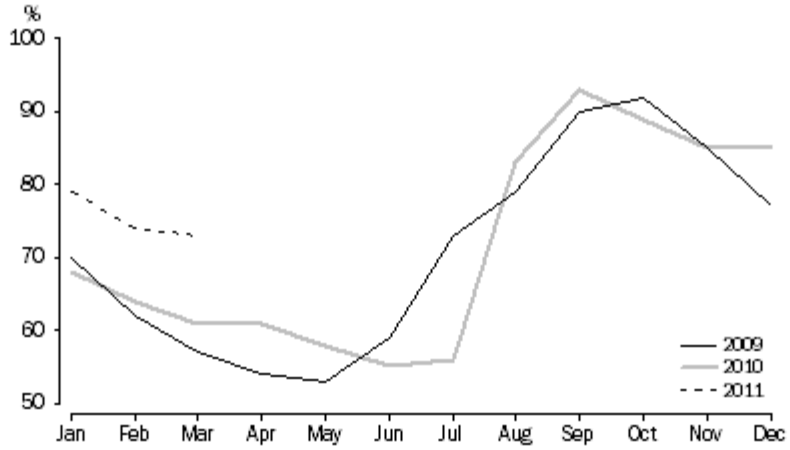


Source: 3-monthly rainfall anomalies for South Australia, Australian Bureau of Meteorology

RESERVOIR LEVELS

According to the Bureau of Meteorology, Adelaide has experienced its wettest start to the year in 65 years, with March 2011 rainfall 3 to 5 times the average. As a result, Adelaide's March reservoir storage level of 73% is substantially higher than at the same time in 2010 (61%), and 2009 (57%).

TOTAL RESERVOIR STORAGE, As a percentage of capacity, Adelaide



Source: SA Water daily reservoir levels

About this Release

SA Stats provides an overview of the South Australian population and economy. The publication is updated on a monthly basis, with most releases also featuring an article that provides a South Australian focus on economic, social and environmental issues.

Explanatory Notes are not included in SA Stats in the form found in other Australian Bureau of Statistics (ABS) publications. Readers are directed to the Explanatory Notes contained in related ABS publications.

South Australia's Changing Industrial Landscape (Feature Article)

FEATURE ARTICLE: SOUTH AUSTRALIA'S CHANGING INDUSTRIAL LANDSCAPE

INTRODUCTION

This article examines the changing South Australian industrial landscape in the ten years to 2009-10, from two perspectives. Industry divisions are compared according to their employment levels and for their economic impact using the Gross Value Added (GVA) component of Gross State Product (GSP). In doing so, the intention is to identify the most prominent or newly emerging industries in terms of their contribution to South Australia's economy.

Naturally, an increase in employment for an industry can indicate growth, perhaps the entry of new businesses into that industry. However a decrease in employment does not necessarily imply a decline in the number of businesses in an industry, or a decline in the economic output from an industry. For example, the Manufacturing workforce may suffer staff 'cut-backs' because of technological improvements in processes yet still retain or increase production levels.

This article attempts to reconcile industry employment changes with a measure of production, GVA, which for an industry is the value of its output at basic prices minus the value of intermediate consumption at purchasers' prices. The basic price is defined as the amount receivable by the producer from the purchaser for a good or service produced as output, minus any tax payable, plus any subsidy receivable as a consequence of its production or sale, and excluding any transport charges invoiced separately. This basic prices approach to valuation of output removes the distortion caused by variations in the incidence of commodity taxes and subsidies across the output of any industry.

Other key points regarding GVA:

- The term can be used to describe gross product by industry.
- It's reported here on a financial year basis, the latest data being available for 2009-10.
- GVA data are expressed here as chain volume measures - to remove the effects of price changes.

The ABS Labour Force Survey, collects industry of employment details four times a year - every August, November, February and May - in original (unadjusted) series form. To better align with the reference period for the GVA data, the industry employment estimates for South Australia have been presented as financial year averages, for the four quarters to May, for the ten years to 2009-10. This 'annual averaging' approach helps smooth out some of the volatility and seasonality associated with the original series industry estimates.

Finally, with the exception of Agriculture, Forestry and Fishing, this article focuses on the state's main employing industries, with average annual employment exceeding 50,000 persons at 2009-10. This filter allows for a greater degree of statistical confidence when analysing industry employment data over time. It means that some 'high profile' but relatively low employing industries such as South Australian Mining are not covered; the sampling variability and statistical insignificance associated with movements in some estimates over time can limit their utility for analysis.

KEY POINTS

South Australia's industries with the largest employment over the past decade were Health Care and Social Assistance, Retail Trade and Manufacturing. Together they accounted for over one third of the state's average annual employment. More recently, from 2006-07 to the present, Health Care and Social Assistance has replaced Manufacturing as the industry with the largest employment in South Australia.

The main industries contributing to the 18% state employment growth over 2000-01 to 2009-10 were Health Care and Social Assistance, which accounted for 26% of the increase, followed by Construction (20%) and Professional, Scientific and Technical Services (14%). In contrast, Agriculture, Forestry and Fishing and Manufacturing employment fell in the same period. These results suggest a gradual change in the state's industrial landscape, as new or different divisions gain in prominence.

Nonetheless, in GVA terms, Manufacturing still made the greatest contribution to South Australia's GSP over 2000-01 to 2009-10, but its share decreased from 15.0% to 11.7%. Moreover, its average annual growth rate was negative (-0.1%) over the same period. The decline in Manufacturing's contribution was partly offset by the Construction industry, which increased its contribution to GSP from 4.4% to 6.6%.

The state's Manufacturing industry showed negative growth in both employment and production between 2000-01 and 2009-10. It is possible that the Global Financial Crisis (GFC) and certain industry closures had some effect. To confound this theme however, both state average annual employment (all industries) and GSP rose by 2% during GFC period, suggesting other influences within the broader economy.

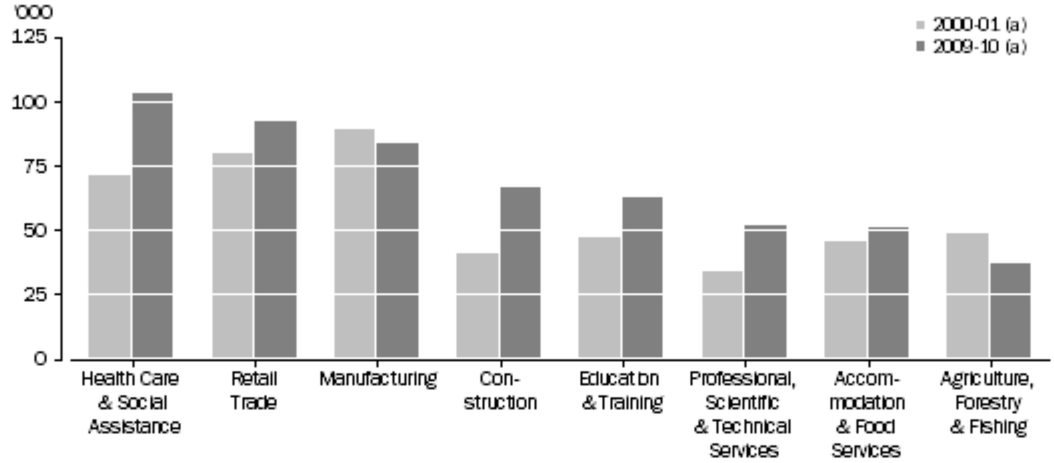
MAIN EMPLOYING INDUSTRIES

South Australia's average annual employment for 2009-10 was 800,600 persons, 18% higher than for 2000-01. For the corresponding period, national average annual employment rose by 22%.

The industry in South Australia with the largest average annual employment in 2009-10 was Health Care and Social Assistance with 103,300 persons, or nearly 13% of the state average annual employment. For clarification, Health Care and Social Assistance includes: hospitals; medical and other health care services (such as dental, optometry, physiotherapy and ambulance operations); residential/aged care services; and social assistance services (including child care).

The next most prominent industries were Retail Trade (91,900 persons employed, 12% of state level), Manufacturing (83,700, almost 11%), Construction (66,300, 8%) and Education and Training (62,600, 8%). Together, these five industries accounted for 51% of state's annual average employment, with the top three contributing 36%.

AVERAGE ANNUAL EMPLOYMENT, SELECTED INDUSTRIES, South Australia

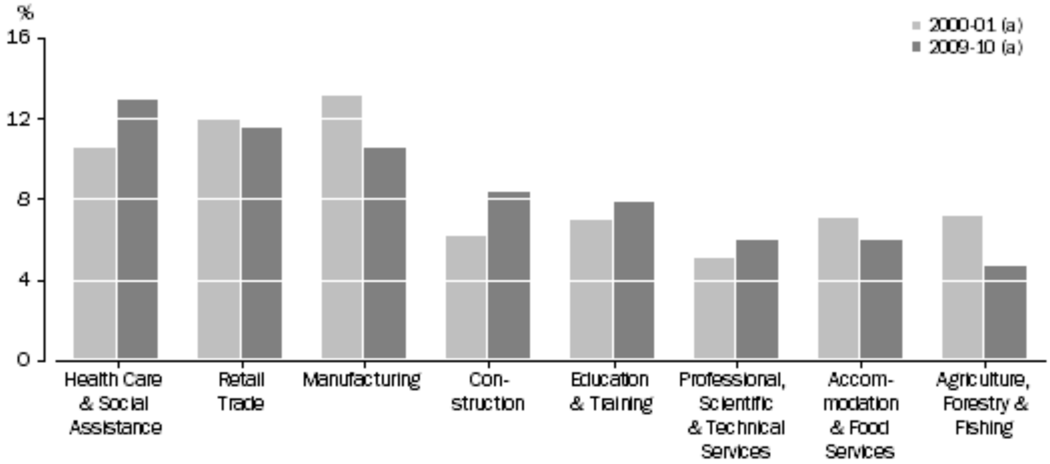


(a) Year ending 31 May.

Source: *Labour Force, Australia* (cat. no. 6291.0.55.003)

A decade earlier, Health Care and Social Assistance, Retail Trade and Manufacturing again had the highest levels of annual average employment although the ranking order was different. Manufacturing was foremost with annual average employment of 88,900 persons, followed by Retail Trade (80,400). Together with Health Care and Social Assistance, these three industries contributed 36% of the state's annual average employment in 2000-01.

AVERAGE ANNUAL EMPLOYMENT, SELECTED INDUSTRIES, as a percentage of total employment, South Australia



(a) Year ending 31 May.

Source: Labour Force, Australia (cat. no. 6291.0.55.003)

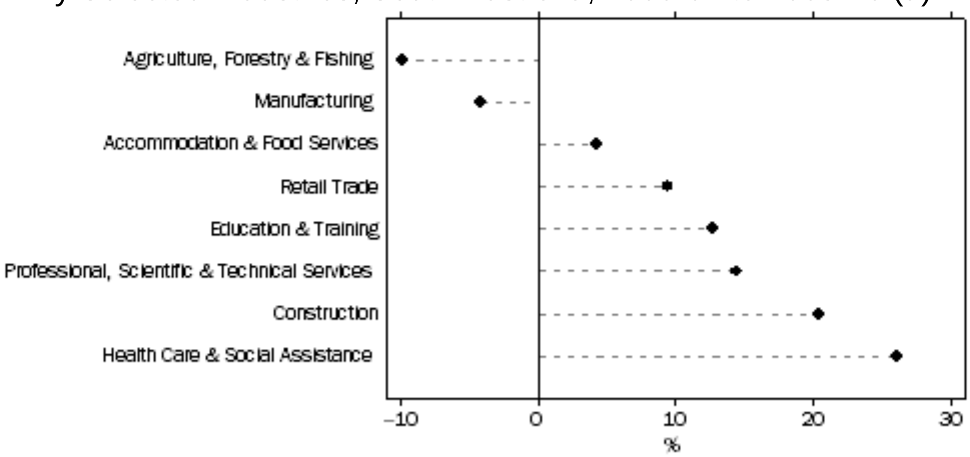
Interestingly, Agriculture, Forestry and Fishing, was the ninth ranked industry in 2009-10, with average annual employment of 36,800 persons, or 5% of state annual average employment. A decade earlier, this industry was fourth ranked, with average annual employment of 49,000 persons or 7% of state annual average employment .

Looking at the national picture, the same 'top three' contributors (in average annual employment terms) applied, namely Health Care and Social Assistance, Retail Trade and Manufacturing, while Agriculture, Forestry and Fishing similarly declined in prominence in the decade to 2009-10.

INDUSTRY CONTRIBUTION TO STATE EMPLOYMENT GROWTH

As mentioned, state annual average employment grew by 18% in the ten years to 2009-10. The main industries contributing to this growth were: Health Care and Social Assistance, which accounted for 26% of the increase, followed by Construction (20%) and Professional, Scientific and Technical Services (14%).

INDUSTRY CONTRIBUTION TO STATE AVERAGE ANNUAL EMPLOYMENT GROWTH, By Selected Industries, South Australia, 2000-01 to 2009-10 (a)



(a) Years ending 31 May.

Source: Labour force, Australia (cat. no. 6291.0.55.003)

Conversely, Agriculture, Forestry and Fishing and Manufacturing both contributed negatively to state employment growth. Both divisions recorded their lowest average annual employment levels for the ten years of this study, simultaneously, in 2009-10. Certainly, recent data suggest that South Australia's industry employment profile may be changing and diversifying, as people take up job opportunities in other (less traditional) industries.

At the national level, in the ten years to 2009-10, Health Care and Social Assistance accounted for 18% of growth in average annual employment, followed by Construction (17%) and Professional, Scientific and Technical Services (11%). Similarly, Agriculture, Forestry and Fishing, and Manufacturing, both contributed negatively to national employment growth over the same reference period.

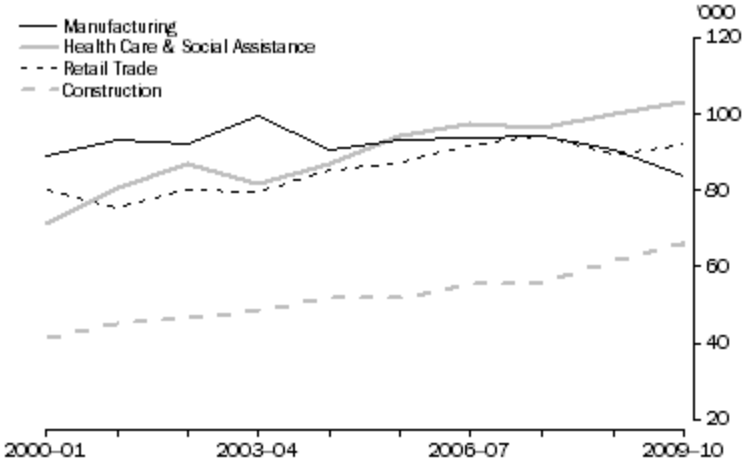
As indicated above, Professional, Scientific and Technical Services is an emerging industry, both nationally and locally. This broad industry division encompasses activities such as scientific research, architectural and engineering services, legal and accounting services, advertising and market research, management consulting and computer system design.

WHEN DID THINGS CHANGE IN SOUTH AUSTRALIA?

Health Care and Social Assistance began to displace Manufacturing as South Australia's top employing industry in 2006-07. Three years later, in 2009-10, average annual employment for Health Care and Social Assistance exceeded that of Manufacturing by 23%.

The next two graphs (see below) show changing employment levels for selected industries, with the most prominent divisions presented first:

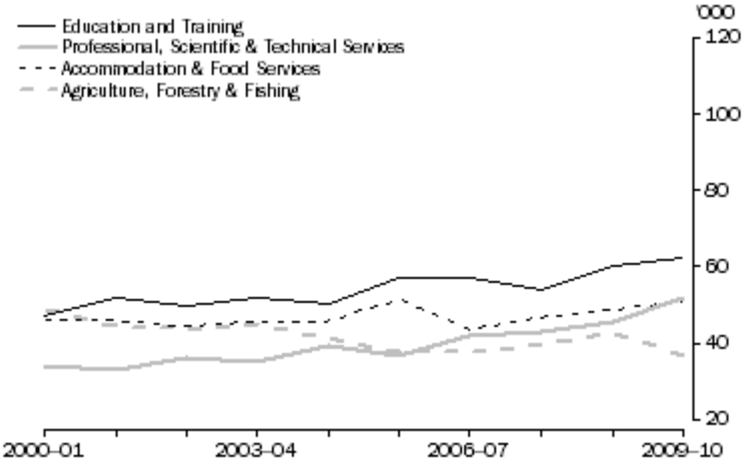
ANNUAL AVERAGE EMPLOYMENT (a), Selected Industries, South Australia



(a) Year ending 31 May.

Source: *Labour Force, Australia (cat. no. 6291.0.55.003)*

ANNUAL AVERAGE EMPLOYMENT (a), Selected Industries, South Australia



(a) Year ending 31 May.
Source: *Labour Force, Australia* (cat. no. 6291.0.55.003)

Employment in Manufacturing in South Australia appeared to peak in 2003-04 (with an estimated 99,300 employees) and then began a general decline, with the decreases becoming more accentuated in recent years. A number of events, including the closure of Mitsubishi's Tonsley plant (around 1,000 jobs) in March 2008, the progressive closure of its engine foundry at Lonsdale and the 2002 closure of the Port Stanvac oil refinery may have had some impact.

Quite notably, state Manufacturing employment fell over two successive years, in 2008-09 and 2009-10. A similar result was observed nationally, where Manufacturing experienced a 5% decrease in average annual employment from 2007-08 to 2009-10. Interestingly, the Global Financial Crisis (GFC), which unfolded in late 2008 through to mid 2009, coincided with this most recent period of apparent decline in Manufacturing employment.

Conversely, the state's Construction industry experienced 19% employment growth over 2007-08 to 2009-10, which includes the GFC period. Average annual Construction industry employment for Australia also rose by 3% for the same period. It is possible that long-planned (state and commonwealth) government infrastructure projects - as well as newer initiatives (e.g. Government Stimulus Package, Building the Education Revolution Program, the Social Housing Initiative) may have supported Construction industry employment levels, making that industry less susceptible to GFC effects. Of the other main employing industries, only Retail Trade indicated a downturn in average annual employment over the GFC period, only to revive in the following year.

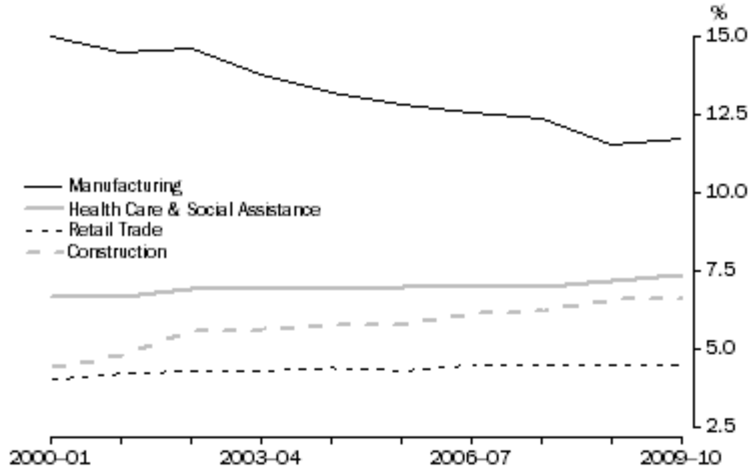
The above (second) graph suggests a slowly declining pattern in annual average employment for Agriculture, Forestry and Fishing, since 2000-01. Other than periods of drought, however, the contributing factors are unclear. Being a household rather than business based collection, the ABS Labour Force Survey cannot directly unpack the drivers within industries that lead to employment change.

INDUSTRY GROSS VALUE ADDED

In this section we change the focus to GVA data. Although Manufacturing is the state's major industry contributor in terms of GVA as percentage of Gross State Product (GSP), this contribution has declined steadily from 15.0% at 2000-01 to 11.7% at 2009-10. This loss in share has been taken up by the Health Care and Social Assistance industry (up from 6.7% to 7.4%) and Construction (increasing its contribution from 4.4% to 6.6%). Other notable

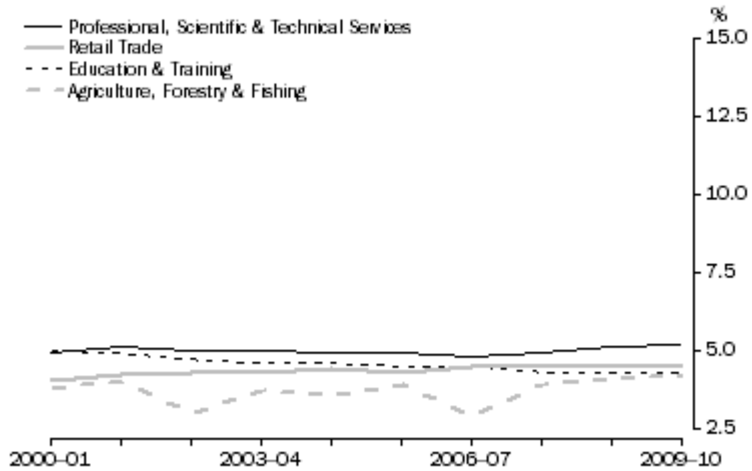
growth industries (in GVA terms) were Professional, Scientific and Technical Services (up from 4.9% at 2000-01 to 5.2% at 2009-10) and Retail Trade (up from 4.0% to 4.5%). The next two graphs (see below) show recent movements in GVA relative to GSP, chain volume series, for selected industries and South Australia:

GVA AS A PROPORTION OF GSP, Selected Industries, South Australia



Source: Australian National Accounts, State Accounts 2009-10 (cat. no. 5220.0)

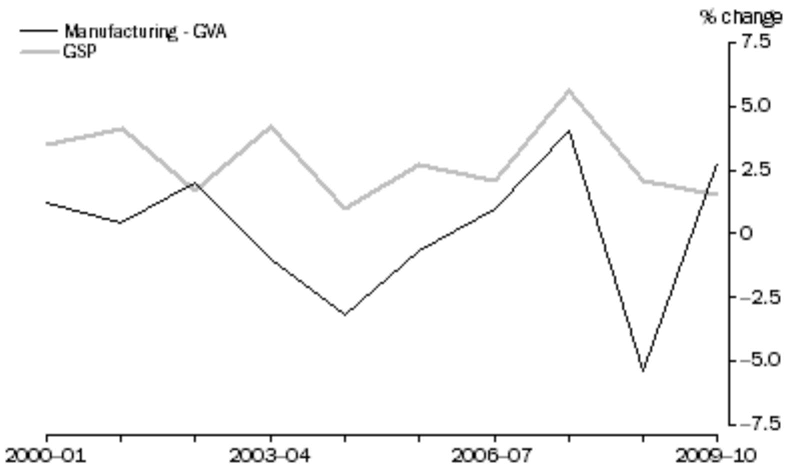
GVA AS A PROPORTION OF GSP, Selected Industries, South Australia



Source: Australian National Accounts, State Accounts 2009-10 (cat. no. 5220.0)

For Manufacturing in South Australia, annual changes in GVA were most pronounced over 2003-04 and 2004-05, and then during 2008-09 (see the graph below).

GROSS STATE PRODUCT AND MANUFACTURING GROSS VALUE ADDED, chain volume measures (a), change from previous year, South Australia



(a) Reference year for chain volume measures is 2008-09.

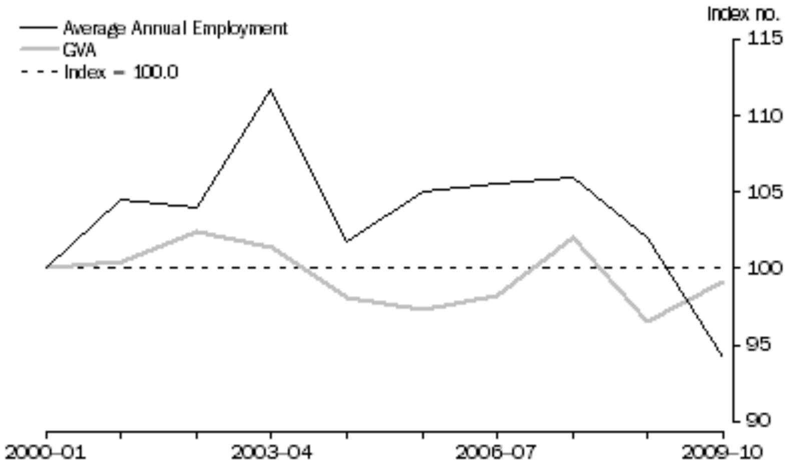
Source: Australian National Accounts: State Accounts 2009-10 (cat. no. 5220.0)

The percentage contribution of GVA to Gross Domestic Product (GDP) for Manufacturing in Australia has also declined, from 10.7% in 2000-01, down to almost 8.7% in 2009-10.

EMPLOYMENT AND GVA

Given recent local attention given to changes within Manufacturing and Agriculture, Forestry and Fishing in South Australia, it is of interest to compare average annual employment and GVA for both industry divisions.

MANUFACTURING, EMPLOYMENT AND GROSS VALUE ADDED, relative to 2000-01, South Australia



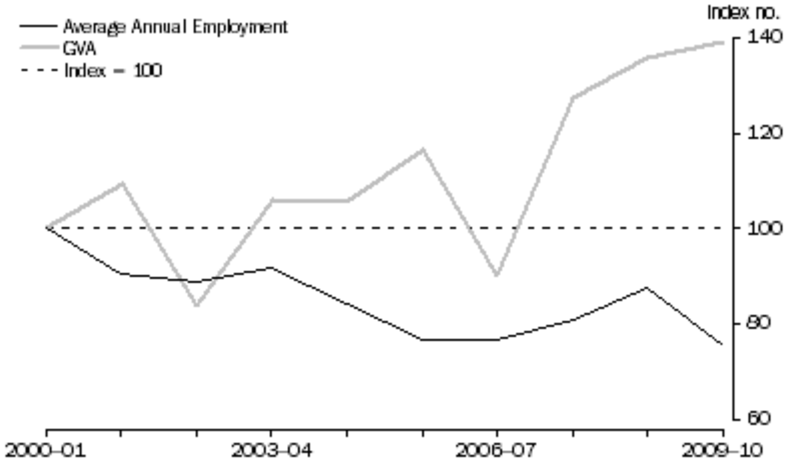
(a) Reference year : 2000-01 = 100.0.

Source: Australian National Accounts: State Accounts 2009-10 (cat. no. 5220.0)
Labour Force, Australia (cat. no. 6291.0.55.003)

When indexed to 2000-01 as the base/reference year (=100), GVA and employment for Manufacturing in South Australia do not show (or suggest) a distinct relationship over time. For example, an upwards employment 'spike' in 2003-04 was accompanied by a fall in GVA. In other periods (for example 2004-05) both measures moved in the same direction. In 2009-10, the two measures diverged; Manufacturing employment declined while GVA increased. This most recent result cannot be explained by any specific event; future data updates may provide some clarification. It should also be noted that the GVA estimates are subject to revision.

In contrast, generally decreasing annual average employment in Agriculture, Forestry and Fishing in South Australia was accompanied by mainly increasing GVA. (See graph below). Whether this was achieved through new production processes, or structural (farm-size) adjustment leading towards economies of scale, or by some other actions, are beyond the scope of these data to explain. A more concerted, targeted, industry study is required.

AGRICULTURE, FORESTRY & FISHING, EMPLOYMENT AND GROSS VALUE ADDED,
relative to 2000-01, South Australia



(a) Reference year : 2000-01 = 100.0.
Source: Australian National Accounts: State Accounts 2009-10 (cat. no. 5220.0)
Labour Force: Australia (cat. no. 6291.0.55.003)

CONCLUSION

South Australia's industries with the largest average annual employment over the past decade were Health Care and Social Assistance, Retail Trade and Manufacturing. Together they accounted for over one third of the state's average annual employment. More recently, from 2006-07 to the present, Health Care and Social Assistance has replaced Manufacturing as the industry with the highest average annual employment in South Australia.

In GVA terms, Manufacturing still recorded the largest contribution to South Australia's GSP over 2000-01 to 2009-10, but its share decreased from 15.0% to 11.7%. Moreover, its average annual growth rate was negative (-0.1%) over the same period. The decline in Manufacturing's contribution was partly offset by the Construction industry, which increased its contribution to GSP from 4.4% to 6.6%.

It will be interesting to view upcoming data from the ABS State Accounts and the Labour Force Survey to see whether current industry growth patterns and levels of prominence persist.

SOURCES

ABS 2010, Labour Force, Australia, Detailed, Quarterly, Nov 2010 - Table 05. Employed persons by State and Industry (cat. no. 6291.0.55.003)

ABS 2009-10, Australian National Accounts, State Accounts 2009-10 (cat. no. 5220.0)

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